

Message Text

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PAGE 01 KUALA 03683 01 OF 06 020145Z
ACTION MMO-02

INFO OCT-01 EA-10 ISO-00 ABF-01 NSC-05 SS-15 PER-01
SIG-03 A-01 OC-06 SCS-06 CA-01 DODE-00 CIAE-00
AGRE-00 PC-01 ICA-11 INT-05 DEAE-00 SNM-05 PM-05
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FM AMEMBASSY KUALA LUMPUR
TO SECSTATE WASHDC 3912

LIMITED OFFICIAL USE SECTION 1 OF 6 KUALA LUMPUR 3683

E. O. 11652: N/A
TAGS: OGEN
SUBJ: FY 1980 GOALS/OBJECTIVES AND RESOURCE MANAGEMENT (GORM)
PROCESS-MALAYSIA

REF: STATE 063477

1. THE FOLLOWING IS OUR GORM SUBMISSION, AS REQUESTED REFTEL.
WE BELIEVE IT IMPORTANT TO NOTE THAT THE MODE EXERCISE OF LAST
YEAR DEALT WITH MUCH OF THE SAME MATERIAL, ALTHOUGH ONLY FOR
FY78. IN ESSENCE, OUR RESPONSE IN MODE CALLED FOR REDUCTIONS
IN OTHER AGENCY PERSONNEL TO MATCH EARLIER CUTS IN THE BASIC
STATE COMPLEMENT IN ORDER TO PRESERVE THE ESSENTIAL DIPLOMATIC
CHARACTER OF THIS MISSION. WE STILL ADHERE VERY STRONGLY TO
THIS POSITION AND WE FIND IT UNREALISTIC AND FRANKLY DISCOURAG-
ING TO EXPEND THE MANY MAN HOURS REQUIRED TO EXAMINE THE QUESTION
OF FY80 REDUCTIONS IN EITHER STATE OR OTHER AGENCY COMPLEMENTS
UNLESS AND UNTIL THESE PREVIOUS RECOMMENDATIONS HAVE BEEN ACTED
UPON. WE WISH THIS VIEW TO BE ON THE RECORD AND TO BE TAKEN
FULLY INTO ACCOUNT IN THE DEPARTMENT'S CONSIDERATION AND USE
OF THIS LATEST SUBMISSION.

PART I - STATE GORM SUBMISSIONS
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PAGE 02 KUALA 03683 01 OF 06 020145Z

2. FORM ZBB-1
1. TOTAL U.S.PERSONNEL 28
2. TOTAL FSL 42
3. TOTAL PERSONNEL RESOURCES 70
AT THE MISSION'S "CURRENT LEVEL"
A. PACKAGE I - 63
B. PACKAGE 88 - 4

C. PACKAGE III - 3

D. PACKAGE IV - 1

3. FORM ZBB-2: PACKAGE WORKSHEET

ZERO-BASED BUDGETING

FY-1980

PERSONNEL RESOURCE WORKSHEET

(1) (2) (3) (4) (5) (6) (7) (8) (9) (10)

PACKAGE I PACKAGE II

FY 1978

FUNCTION AMER AMER FLS AMER AMERMFLS AMER AMER FLS

OFF STAFF OFF STAFF OFF STAFF

EXEC 2 2 1 2 2 1

POL 3 1 1 2 1 1 1

ECON/COML 4 1 5 4 1 5

CONS 2 3 1 3

ADMIN 9 22 8 1 20 1 1

OTHER 2 1 10 1 9 1

(REGIONAL)

PER (JOT) 1 1

TOTAL THIS 23 5 42 19 5 39 2 2

PKG

CUM. TOTAL 23 5 42 19 5 39 21 5 41

FORM "??-2: PACKAGE WORKSHEET (CONTINUED)

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PAGE 03 KUALA 03683 01 OF 06 020145Z

ZERO-BASED BUDGETING

FY-1980

PERSONNEL RESOURCE WORKSHEET

(11) (12) (13) (14) (15) (16)

PACKAGE III PACKAGE IV

FUNCTION AMER AMER FLS AMER AMER FLS

OFF STAFF OFF STAFF

EXEC

POL

ECON/CMOL

CONS 1 1

ADMIN (-1) 1

OTHER 1 1

(REGIONAL)

PER (JOT)

TOTAL THIS 2 1 1

PKG

CUM. TOTAL 23 5 42 23 5 43

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PAGE 01 KUALA 03683 02 OF 06 020231Z
ACTION MMO-02

INFO OCT-01 EA-10 ISO-00 ABF-01 NSC-05 SS-15 PER-01
SIG-03 A-01 OC-06 SCS-06 CA-01 DODE-00 CIAE-00
AGRE-00 PC-01 ICA-11 INT-05 DEAE-00 SNM-05 PM-05
COME-00 EB-08 OES-07 /094 W
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LIMITED OFFICIAL USE SECTION 2 OF 6 KUALA LUMPUR 3683

4. FORM ZBB-2

MALAYSIA
PACKAGE I OF IV
A. ACTIVITY DESCRIPTION

AT NINETY PERCENT OF OUR CURRENT LEVEL THE EMBASSY
COULD CONTINUE TO PURSUE BASIC US GOALS AND OBJECTIVES
IN MALAYSIA WITH SOME SUBSTANTIVE AND ADMINISTRATIVE
REDUCTIONS AND ASSUMING CERTAIN DEVELOPMENTS IN THE
INDOCHINA REFUGEE SITUATION AS WELL AS CERTAIN
ADMINISTRATIVE IMPROVEMENT. THE RANGE OF EMBASSY
ACTIVITIES AT THIS LEVEL WOULD DIFFER FROM THE CURRENT
MIX PRIMARILY IN THE CONSULAR (REFGEE), ADMINISTRATIVE,
AND POLITICAL FIELDS, WITH THE EXECUTIVE AND ECONOMIC/
COMMERCIAL SECTIONS ALREADY AT THE MINIMUM LEVEL
NECESSARY TO SUPPORT THE MISSION'S OBJECTIVES.

AT THIS NINETY PERCENT LEVEL, THE FIVE-PERSON
EXECUTIVE STAFF (TWO OFFICERS, TWO STAFF, AND ONE FSL)
WOULD CONTINUE TO PROVIDE POLICY FORMULATION AND MANAGEMENT
GUIDANCE FOR ALL ELEMENTS OF THE MISSION. ESSENTIAL
PROTOCOL AND FORMAL REPRESENTATION FUNCTIONS, IN SUPPORT
OF ALL MISSION OBJECTIVES, WOULD BE RETAINED.

THE POLITICAL SECTION, WHICH HAS ALREADY BORNE
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PAGE 02 KUALA 03683 02 OF 06 020231Z

THE BRUNT OF EMBASSY PERSONNEL CUTS OVER THE PAST TWO YEARS, WOULD BE REDUCED FROM THE CURRENT LEVEL BY ONE OFFICER TO A STAFF OF TWO OFFICERS, ONE STAFF SECRETARY, AND ONE FSL. THIS WOULD ENABLE THE SECTION TO CONTINUE MOST OF ITS PRESENT PROGRAM OF REPRESENTATION, REPORTING, AND POLICY FORMULATION IN SUPPORT OF OBJECTIVES I, III, AND VI, BUT IT WOULD ENTAIL SIGNIFICANT REDUCTIONS IN SUCH THINGS AS BIOGRAPHIC REPORTING, MAP AND PUBLICATION PROCUREMENT, PROTOCOL ASSISTANCE, BRIEFING OF VISITORS, AND CONTACT AND REPORTING ON THE LOWER LEVELS OF MALAYSIAN POLITICS AND ON THIRD-COUNTRY DEVELOPMENTS. IN THE EMBASSY'S JUDGMENT, HIS SOLUTION WOULD ONLY BE ACCEPTABLE BY CONSOLIDATING THE POLITICAL AND ECONOMIC SECTIONS INTO ONE AND THUS MAKING MORE EFFECTIVE USE OF THEIR COMBINED RESOURCES, A POSSIBILITY IF A NEW CHANCERY BECOMES AVAILABLE IN 1980.

THE ECONOMIC/COMMERCIAL SECTION WOULD CONTINUE AT ITS CURRENT LEVEL OF FOUR OFFICERS, ONE STAFF, AND FIVE FSL'S IN ORDER TO CARRY OUT ESSENTIAL REPORTING AND REPRESENTATION IN SUPPORT OF OBJECTIVE I AND III. THIS WOULD INCLUDE CONTINUED CLOSE ATTENTION TO COMMODITY ISSUES AS WELL AS TO TRADE PROMOTION AND US INVESTMENT IN MALAYSIA, MATTERS OF THE UTMOST IMPORTANCE TO US-MALAYSIAN RELATIONS.

THE CONSULAR SECTION, OF ONE OFFICER AND THREE FSL'S WOULD CONTINUE TO PROVIDE THE BASIC CONSULAR SERVICES INCLUDING AN EXPECTED 660 IMMIGRANT VISAS, 7260 NON-IMMIGRANT VISAS, AND 2500 PASSPORT AND SPECIAL CONSULAR SERVICES. HOWEVER, IT WOULD BE REDUCED FROM ITS CURRENT LEVEL BY ONE OFFICER, I.E., ITS FULL-TIME REFUGEE OFFICER, ON THE SPECIFIC ASSUMPTION THAT THE INDOCHINESE REFUGEE WORKLOAD WILL BE SUBSTANTIALLY AMELIORATED BY FY80 AND THAT ONLY A MODEST RESIDUAL LIMITED OFFICIAL USE

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PAGE 03 KUALA 03683 02 OF 06 020231Z

PROGRAM WILL REMAIN WHICH CAN BE HANDLED ON A TDY BASIS AS NECESSARY. IT MUUST BE STRESSED THAT THIS IS A VERY SHAKY ASSUMPTION AT THIS POINT.

KEY ADMINISTRATIVE SERVICES WOULD CONTINUE TO BE PROVIDED, EVEN WITH A REDUCED STAFF OF EIGHT OFFICERS, ONE STAFF SECRETARY, AND TWENTY LOCALS (DOWN FROM NINE OFFICERS AND TWENTY-TWO LOCALS). MINIMUM PERSONNEL, SECURITY, AND GENERAL SERVICES WOULD BE PROVIDED TO ALL ELEMENTS OF THE MISSION. WITH REDUCTION OF ONE COMMUNICATION OFFICER, COMMUNICATIONS WOULD BE MAINTAINED AT 90-95 PERCENT OF THE PRESENT LEVEL, ASSUMING THE INSTALLATION OF TERP EQUIPMENT IN FY80, PREFERABLY IN A NEW CHANCERY.

THE REGIONAL BUDGET AND FISCAL OFFICE WOULD CONTINUE

TO PROVIDE MINIMUM SERVICES NECESSARY FOR THIS MISSION, AND FOR SINGAPORE, DESPITE THE REDUCTION OF ONE FSL FROM ITS CURRENT LEVEL OF ONE OFFICER AND TEN FSL'S. THIS ASSUMES OTHER REDUCTIONS IN THE EMBASSY AS NOTED ABOVE AND IN OTHER AGENCIES AS DESCRIBED ELSEWHERE, AS WELL AS COMPARABLE REDUCTIONS IN SINGAPORE. THE CURRENT REGIONAL SECURITY OFFICE OF ONE OFFICER AND ONE STAFF SECRETARY WOULD BE ABOLISHED AND THE OFFICE'S STAFF SECRETARY WOULD BE SWITCHED TO THE ADMINISTRATIVE SECTION, WHICH IN TURN WOULD ASSUME RESPONSIBILITY FOR THE NECESSARY DAY-TO-DAY SECURITY SERVICES OFOR THE MISSION.

THE JUNIOR OFFICER TRAINEE WOULD CONTINUE TO ROTATE THROUGHOUT THE EMBASSY TO PROVIDE TRAINING TO THE INCUMBENT AND ESSENTIAL BACKUP TO THE FOUR MAIN SECTIONS OF THE EMBASSY.

B. RESOURCE REQUIREMENTS

	FY78	FY79	THIS PKG	FY80
			ONLY	CUMULATIVE
OFFICERS	23	23	19	19
STAFF	5	5	5	5
FSL'S	42	42	39	39

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PAGE 04 KUALA 03683 02 OF 06 020231Z

TOTALS	70	70	63	63
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C. IMPACT ON CURRENT US POLICY GOALS, OBJECTIVES AND ESSENTIAL ACTIVITIES

THE BASIC STRUCTURE AND RESOURCES TO SUPPORT US POLICY OBJECTIVES AT THE MINIMUM NECESSARY LEVEL WOULD REMAIN INTACT. HOWEVER, THE REDUCTION OF ONE POSITION IN THE POLITICAL SECTION WOULD REDUCE THE SCOPE AND DEPTH OF OUR POLITICAL CONTACTS AND REPORTING AND MAKE OBJECTIVES I AND IV HARDER TO ACHIEVE; IT WOULD ALSO

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PAGE 01 KUALA 03683 03 OF 06 020238Z
ACTION MMO-02

INFO OCT-01 EA-10 ISO-00 ABF-01 NSC-05 SS-15 PER-01
SIG-03 A-01 OC-06 SCS-06 CA-01 DODE-00 CIAE-00
AGRE-00 PC-01 ICA-11 INT-05 DEAE-00 SNM-05 PM-05
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LIMITED OFFICIAL USE SECTION 3 OF 6 KUALA LUMPUR 3683

REDUCE OUR ABILITY TO HANDLE OFFICIAL VISITORS EFFECTIVE-
LY. SOME OF THIS COULD ONLY BE OVERCOME BY COMBINING
THE ECONOMIC AND POLITICAL SECTIONS ONE THE PHYSICAL
FACILITIES ARE AVAILABLE.

CONSULAR SERVICES WOULD SUFFER SOME SLOWDOWN, PARTICULARLY
AN INCREASE IN TIME REQUIRED FOR NIV AND IV PROCESSING,
AS GREATER ATTENTION WOULD BE REQUIRED FOR RESIDUAL
REFUGEE CASES FORMERLY HANDLED BY THE REFUGEE OFFICER
(OBJECTIVE V).

THE ADMINISTRATIVE SECTIONS'S REDUCTION OF ONE OFFICER
IN COMMUNICATIONS WOULD REDUCE (OR SLOW DOWN) THE
FLOW OF TRAFFIC BY 5 TO 10 PERCENT EVEN WITH EQUIPMENT
IMPROVEMENTS. THE ELIMINATION OF TWO FSL'S ONE A DRIVER
AND THE OTHER IN GENERAL SERVICES, WOULD REDUCE THE AVAIL-
ABILITY OF THESE SERVICES TO ALL ELEMENTS OF THE MISSION
AND WOULD ALSO REDUCE OUR ABILITY TO HANDLE OFFICIAL
VISITORS EFFECTIVELY. THE ADMINISTRATIVE SECTION WOULD
ALSO HAVE TO ABSORB THE SECURITY FUNCTION (SEE BELOW).

ELIMINATION OF ONE OF THE REGIONAL FSL POSITIONS
IN BUDGET AND FISCAL WOULD REDUCE AVAILABLE B&F SERVICES BY
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PAGE 02 KUALA 03683 03 OF 06 020238Z

5-10 PERCENT; HOWEVER, THIS LOSS WOULD BE SHARED
BY SINGAPORE AND COULD PRESUMABLY BE ABSORBED WITHOUT
SERIOUS EFFECT IF OTHER REDUCTIONS IN OVERALL STAFFING
ON BOTH EMBASSIES -- AS WELL AS OTHER AGENCIES --
ARE ALSO CARRIED OUT. ELIMINATION OF THE REGIONAL
SECURITY OFFICER POSITION WOULD SIGNIFICANTLY REDUCE
TECHNICAL SECURITY SERVICES IMMEDIATELY AVAILABLE TO ALL
ELEMENTS OF THE MISSION AND LENGTHEN THE TIME REQUIRED
TO OBTAIN LOCAL SECURITY CLEARANCES (PARTICULARLY THOSE
DONE ON BEHALF OF OTHER POSTS). THIS LOSS WOULD ALSO BE
SHARED BY SINGAPORE. IT WOULD NOT AFFECT NORMAL DAY-TO-
DAY SECURITY SERVICES TO THIS MISSION, AS THESE WOULD BE
PROVIDED ADEQUATELY BY THE ADMINISTRATIVE SECTION WHICH

WOULD TAKE OVER THE ONE REGIONAL SECURITY STAFF POSITION TO ASSIST IN THIS. BUT IT WOULD REQUIRE PERIODIC VISITS BY SECURITY TECHNICIANS AND A REGIONAL SECURITY OFFICER BASED ELSEWHERE.

5. FORM ZBB-3

MALAYSIA

PACKAGE II OF IV

A. ACTIVITY DESCRIPTION

AT THIS LEVEL FULL POLITICAL REPORTING AND REPRESENTATION IN SUPPORT OF OBJECTIVES I, III, AND VI WOULD BE RESTORED, AS WOULD THE POLITICAL SECTION'S ABILITY TO CONTRIBUTE TO EFFECTIVE MISSION HANDLING OF OFFICIAL VISITORS.

RESTORATION OF ONE COMMUNICATOR WOULD GIVE THE MISSION THE CAPABILITY OF HANDLING THE CURRENT LEVEL OF TRAFFIC (AND ANY ANTICIPATED INCREASE) IN AN EFFICIENT MANNER WITHOUT REQUIRING INSTALLATION OF TERP EQUIPMENT. THE ADDITIONAL FSL DRIVER IN THE ADMINISTRATIVE SECTION AND LIMITED OFFICIAL USE

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PAGE 03 KUALA 03683 03 OF 06 020238Z

THE ADDITIONAL FSL IN REGIONAL BUDGET AND FISCAL SECTION WOULD RESTORE FULL SUPPORT ACTIVITIES IN THESE FIELDS TO ALL ELEMENTS OF THE MISSION (AND IN THE ALTER CASE, TO SINGAPORE AS WELL).

B. RESOURCE REQUIREMENTS

	FY78 FY79 THIS PKG FY 80			
	ONLY		CUMULATIVE	
OFFICERS	23	23	2	21
STAFF	5	5		5
FLS'S	42	42	2	41
TOTALS	70	70	4	67

C. IMPACT ON CURRENT US POLICY GOALS, OBJECTIVES, AND ESSENTIAL ACTIVITIES

THERE WILL CONTINUE TO A SHORTFALL IN SUPPORT PROVIDED BY THE ADMINISTRATIVE SECTION TO ALL ELEMENTS OF THE MISSION AND TO OFFICIAL VISITORS, BECAUSE OF THE REDUCTION OF ONE GENERAL SERVICES FSL. CERTAIN CONSULAR SERVICES WOULD CONTINUE TO BE DELAYED BECAUSE OF THE NECESSITY TO DIVERT ATTENTION TO RESIDUAL REFUGEE CASES IN THE ABSENCE OF THE REFUGEE OFFICER.

WITHOUT A REGIONAL SECURITY OFFICER THE MISSION WOULD CONTINUE TO BE DEPRIVED OF IMMEDIATE TECHNICAL SECURITY SERVICES AND SECURITY CLEARANCES FOR OTHER POSTS WOULD BE DELAYED; THIS WOULD ALSO BE TRUE FOR SINGAPORE.

THE NEED FOR PERIODIC VISITS BY TECHNICIANS AND A
REGIONAL SECURITY OFFICER ELSEWHERE WOULD REMAIN.

6. FORM ZGG-3

MALAYSIA

PACKAGE III OF IV

A. ACTIVITY DESCRIPTION

ALL ACTIVITIES CURRENTLY CONDUCTED BY THE MISSION
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PAGE 04 KUALA 03683 03 OF 06 020238Z

WOULD BE CONTINUED IN SUPPORT OF THE AGREED MAJOR POLICY
GOALS AND OBJECTIVES.

B. RESOURCE REQUIREMENTS

	FY78 FY79 THIS PKG FY80			
	ONLY		CUMULATIVE	
OFFICERS	23	23	2	23
STAFF	5	5		5
FSL'S	42	42	1	42
TOTALS	70	70	3	70

C. IMPACT ON CURRENT US POLICY GOALS, OBJECTIVES,
AND ESSENTIAL ACTIVITIES

WHILE ALL CURRENT ACTIVITIES COULD BE CONTINUED,
THE NEED FOR MORE AND BETTER CONSULAR SERVICES WILL GROW
AND WILL FURTHER STRETCH THE CONSULAR SECTION'S RESOURCES.
THIS WILL BE PARTICULARLY TRUE IF THE LEVEL OF REFUGEE
WORK CONTINUES HIGH RATHER THAN DIMINISHING. RESTORATION
OF THE REFUGEE OFFICER POSITION WOULD ASSURE THAT
OBJECTIVE V WILL BE ACHIEVED.

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PAGE 01 KUALA 03683 04 OF 06 020244Z
ACTION MMO-02

INFO OCT-01 EA-10 ISO-00 ABF-01 NSC-05 SS-15 PER-01
SIG-03 A-01 OC-06 SCS-06 CA-01 DODE-00 CIAE-00
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LIMITED OFFICIAL USE SECTION 4 OF 6 KUALA LUMPUR 3683

7. FORM ZBB-3

MALAYSIA

PACKAGE IV OF IV

A. ACTIVITY DESCRIPTION

IN ADDITION TO CONDUCTING ALL CURRENT ACTIVITIES, THE MISSION WOULD BE ABLE TO ACCOMODATE FULLY THE GROWING NEED FOR CONSULAR SERVICES, PARTICULARLY IN EAST MALAYSIA WHERE A RAPIDLY INCREASING US BUSINESS PRESENCE IS LOCATED.

B. RESOURCE REQUIREMENTS

	FY78	FY79	THIS PKG	FY80
			ONLY	CUMULATIVE
OFFICERS	23	23		WE
STAFF	5	5		5
FSL'S	42	43	1	43
TOTALS	70	71	1	7

C. INPACT ON CURRENT US POLICY GOALS, OBJECTIVES, AND ESSENTAIL ACTIVITIES

IN ADDITIONAL FSL IN THE CONSULAR SECTION WOULD ENABLE THE MISSION TO MEET FULLY ITS STATUTORY OBLIGATIONS TO PROVIDE PROMT AND FULL CONSULAR SERVICES AS THE NEED FOR LIMITED OFFICIAL USE

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PAGE 02 KUALA 03683 04 OF 06 020244Z

THEM CONTINUES TO GROW AND IN KEEPING WITH THE POLICY EMPHASIS ON IMPROVING THEIR QUALITY. THIS WOULD ALSO SUPPORT OBJECTIVE III IN THAT THE GREATER NEED FOR SUCH SERVICES WILL DERIVE LARGELY FROM AN INCREASED US BUSINESS PRESENCE. (THIS POSITION HAS IN FACT ALREADY BEEN PROMISED BY THE DEPARTMENT FOR FY78 OR FY79.)

8. SIGNIFICANT NON-SALARY FUNDING

THIS POST'S MAJOR OPERATING EXPENSES ARE IN THE ADMINISTRATIVE FIELD AND INCLUDE COSTS OF OFFICE AND RESIDENTIAL SPACE, TRAVEL, TRANSPORTATION, SUPPLIES AND EQUIPMENT, AND OTHER NORMAL ADMINISTRATIVE ITEMS. MOST OF THESE COULD BE REDUCED MORE OR LESS PROPORTIIONATELY WITH REDUCTIONS IN EMBASSY PERSONNEL AS NOTED ABOVE AND IN OTHER AGENCY PERSONNEL AS INDICATED ELSEWHERE. SHOULD FUNDS AVAILABLE FOR THESE ACTIVITIES BE REDUCED FOR THE FY78 LEVEL WITHOUT CORRESPONDING PERSONNEL REDUCTIONS, THE QUALIFTY OF ADMINISTRATIVE SUPPORT FOR ALL ELEMENTS OF THE MISSION AND ALL GOALS AND OBJECTIVES WOULD BE SERIOUS- LY AFFECTED. FOR EXAMPLE, SUBSTANTIVE PERSONNEL WOULD SPEND MORE TIME ON HOUSEKEEPING MATTERS THEMSELVES, OFFICIAL

TRAVEL WOULD BE REDUCED DESPITE THE GROWING NEED FOR CONSULAR AND ECONOMIC/COMMERCIAL SERVICES OUTSIDE THE CAPITAL, AND OUR ABILITY TO HANDLE OFFICIAL VISITORS EFFECTIVELY WOULD BE REDUCED.

REPRESENTATION FUNDS ARE CURRENTLY JUST ADEQUATE TO SUPPORT ALL OUR GOALS AND OBJECTIVES. REDUCTION OF SUCH FUNDS WOULD MAKE THEM MORE DIFFICULT TO ACHIEVE, EVEN WITH REDUCTIONS ON PERSONNEL AS NOTED ABOVE, SINCE THESE REDUCTIONS WOULD NOT INVOLVE SUBSTANTIVE PERSONNEL WITH MAJOR REPRESENTATIONAL RESPONSIBILITIES.

SHOULD FUNDING BE CONTINUED AT CURRENT OPERATING LEVELS, (WITH ADJUSTMENTS FOR INFLATION AND CURRENCY LIMITED OFFICIAL USE

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PAGE 03 KUALA 03683 04 OF 06 020244Z

DEPRECIATION), WE WOULD BE ABLE TO MAINTAIN ADEQUATE ADMINISTRATIVE SUPPORT TO ALL MISSION ELEMENTS AND WOULD ASSURE MOST EFFICIENT USE OF OUR SUBSTANTIVE PERSONNEL AND RESOURCES. WE WOULD STILL BE HARDPRESSED TO FUND SUFFICIENT TRAVEL OUTSIDE THE CAPITAL, PARTICULARLY TO EAST MALAYSIA WHICH REQUIRES LONG AND EXPENSIVE AIR TRAVEL.

INCREASED FUNDING FOR SUCH TRAVEL WOULD HELP SIGNIFICANTLY IN ACHIEVING OBJECTIVES I AND III, AS WELL AS IN IMPROVING THE QUALITY OF OUR ESSENTIAL CONSULAR SERVICES.

PAR II - EVALUATION OF GOALS, OBJECTIVES, AND RESOURCE MANAGEMENT OF ALL AGENCIES WITH PERSONNEL SUBJECT TO AMBASSADOR'S SUPERVISION, COORDINATION AND DIRECTION.

9. WE DO NOT BELIEVE THAT SIGNIFICANT OTHER-AGENCY REDUCTIONS BEYOND THOSE RECOMMENDED IN MODE ARE CALLED FOR UNLESS WASHINGTON IS PREPARED TO REDUCE OR ELIMINATE MAJOR FUNCTIONS, SOME ISSUES REGARDING WHICH WE HAVE ALREADY RAISED FOR WASHINGTON CONSIDERATION IN MODE. WITH SOME MODEST EXCEPTIONS DESCRIBED BELOW, WE BELIEVE THAT ALL AGENCIES HERE AT THEIR PRESENT LEVELS ARE CONTRIBUTING SUBSTANTIALLY TO THE ACHIEVEMENT OF THE MISSION'S OVERALL GOALS AND OBJECTIVES.

10. PEACE CORPS

SOME TWO HUNDRED PEACE CORPS VOLUNTEERS ARE PRESENTLY ASSIGNED TO MALAYSIA. PEACE CORPS ACTIVITIES ARE BEING STEADILY REORIENTED TOWARDS MEETING BASIC HUMAN NEEDS, IN ACCORDANCE WITH THE ADMINISTRATION'S POLICIES AND IN SUPPORT OF MISSION OBJECTIVES I AND IV, AND AT ITS PRESENT SIZE THE NEW PROGRAM SHOULD CONTRIBUTE EVEN MORE EFFECTIVELY TO ATTAINMENT OF

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PAGE 04 KUALA 03683 04 OF 06 020244Z

THESE OBJECTIVES.

THE PEACE CORPS STAFF CONTINGENT OF SEVEN AMERICANS AND TWENTY LOCAL PERSONNEL IS RELATIVELY LEAN. WE RECOMMENDED THAT IT BE REDUCED BY ONE AMERICAN UNDER THE MODE GUIDELINES LAST YEAR, AND WE REITERATE THIS RECOMMENDATION. THIS WOULD STALL ENABLE THE STAFF TO SUPPORT THE ACTIVITIES OF THE OVERALL PEACE CORPS PROGRAM, WHICH WE CONSIDER A CONCRETE AND VIABLE DEMONSTRATION OF US PRESENCE HERE AND THUS A MAJOR CONTRIBUTION TO US INTERESTS IN MALAYSIA AT THIS TIME.

11. INTERNATIONAL COMMUNICATION AGENCY

ICA FUNCTIONS HERE IN SUPPORT OF ALL MISSION OBJECTIVES. IT PROVIDES THE FULL GAMUT OF INFORMATION AND EXCHANGE ACTIVITIES AND ESSENTIAL

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PAGE 01 KUALA 03683 05 OF 06 020307Z
ACTION MMO-02

INFO OCT-01 EA-10 ISO-00 ABF-01 NSC-05 SS-15 PER-01
SIG-03 A-01 OC-06 SCS-06 CA-01 DODE-00 CIAE-00
AGRE-00 PC-01 ICA-11 INT-05 DEAE-00 SNM-05 PM-05
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LIMITED OFFICIAL USE SECTION 5 OF 6 KUALA LUMPUR 3683

SUPPORT TO REPRESENTATION OF US INTERESTS IN ALL FIELDS. IT IS NOW FOCUSING ITS PRIORITIES IN ACCORDANCE WITH THE NEW CHARTER OF ICA, I.E., IMPROVING THE COMMUNICATION FLOW BOTH WAYS BETWEEN MALAYSIA AND THE US. WE FULLY ENDORSE THIS NEW DIRECTION, PARTICULARLY GIVEN THE BASICALLY VERY RECEPTIVE

CLIMATE WHICH MALAYSIA AFFORDS SUCH ACTIVITIES. WE HAVE IN FACT REQUESTED A SUBSTANTIAL INCREASE IN FUNDS FOR OUR INTERNATIONAL VISITORS PROGRAM AND OTHER EXCHANGE ACTIVITIES FOR FY-78-80, IN CONSIDERATION OF THE ESSENTIAL ROLE WE FEEL THIS AND OTHER ICA EFFORTS PLAY IN THE MISSION'S OVERALL PROGRAM.

ICA PRESENTLY HAS A STAFF OF FIVE AMERICANS AND THIRTY-ONE LOCAL PERSONNEL. THE MODE EXERCISE CALLED FOR A REDUCTION OF ONE AMERICAN STAFF POSITION, WHICH WE CONTINUE TO RECOMMEND. IN ADDITION, ICA INSPECTORS LAST YEAR RECOMMENDED A REDUCTION OF THREE FSL POSITIONS, WHICH WE AND THE PAO CONTINUE TO FIND EXCESSIVE BUT WHICH IS NEVERTHELESS BEING UNDERTAKEN AT PRESENT. WE BELIEVE THAT ICA CAN CONTINUE TO PERFORM ITS ESSENTIAL FUNCTIONS WITH THESE REDUCTIONS IN STAFF, EVEN IF CERTAIN ACTIVITIES SUCH AS PRESS LIMITED OFFICIAL USE

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PAGE 02 KUALA 03683 05 OF 06 020307Z

TRANSLATION, DISTRIBUTION OF INFORMATIONAL MATERIALS, AND OTHER PROGRAM EVENTS WILL HAVE TO BE REDUCED. WE WOULD IN FACT ARGUE FOR A REDUCTION OF ONLY TWO RATHER THAN THE THREE LOCAL POSITIONS RECOMMENDED BY THE INSPECTORS, GIVEN THE NEW DIRECTIONS OF ICA POLICY AND OUR OWN REQUESTED INCREASES IN EXCHANGE ACTIVITIES. CERTAINLY, WE DO NOT BELIEVE ICA'S AMERICAN AND LOCAL COMPLEMENT SHOULD BE CUT BEYOND THESE CURRENTLY RECOMMENDED LEVELS.

12. DRUG ENFORCEMENT AGENCY

OBVIOUSLY, THE DEA CONTINGENT DIRECTLY SUPPGGTS OBJECTIVE IV AND IS ABSOLUTELY VITAL TO ITS ACHIEVEMENT. THE SMALL BUT EXTREMELY COMPETENT DEA STAFF MAINTAINS VERY CLOSE AND EFFECTIVE CONTACT WITH LOCAL ENFORCEMENT AUTHORITIES AND HAS BEEN DIRECTLY RESPONSIBLE FOR SEVERAL HIGHLY SUCCESSFUL OPERATIONS TO HELP CONTROL DRUG TRAFFICKING.

THE DEA STAFF OF TWO AMERICAN OFFICERS AND ONE AMERICAN SECRETARY IS ADEQUATE BUT LEAN FOR THE RESPONSIBILITIES ASSIGNED TO IT. WE WOULD STRONGLY OPPOSE ANY REDUCTION IN IT, PARTICULARLY IN LIGHT OF MALAYSIA'S GROWING IMPORTANCE AS A MAJOR TRANSIT POINT FOR HEROIN FROM THE "GOLDEN TRIANGLE" TO EUROPE AND THE U.S.

13. FOREIGN AGRICULTURAL SERVICE.

THE AGRICULTURAL ATTACHE IS ASSIGNED REGAIONAL RESPONSIBILITY FOR BOTH MALAYSIA AND SINGAPORE. HOWEVER, THE BULK OF HIS ACTUAL AND POTENTIAL WORK LIES HERE, IN CLOSE AND DIRECT SUPPORT OF MISSION OBJECTIVE III.

WE CONSIDER IT IMPORTANT THAT FAS ACTIVITIES
CONTINUE HERE IN ORDER BOTH TO PROMOTE FURTHER SALES
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PAGE 03 KUALA 03683 05 OF 06 020307Z

OF US AGRICULTURAL PRODUCTS IN MALAYSIA AND TO MAINTAIN
ADEQUATE REPORTING ON AGRICULTURAL DEVELOPMENTS
HERE OF CONSIDERABLE IMPORTANCE TO US
AGRICULTURAL AND OTHER INTERESTS (E.G., DEVELOPMENTS
REGARDING PALM OIL AND NATURAL RUBGERML

THE FAS STAFF OF ONE AMERICAN OFFICER AND TWO
LOCAL PERSONNEL IS THE MINIMUM LEVEL NECESSARY TO
ACCOMPLISH THIS OBJECTIVE ON THE REGIONAL BASIS
ASSIGNED, AND WE WOULD NOT RECOMMEND ANY REDUCTIONS.
WE COULD ACCEPT THE ATTACHE AND ONE LOCAL RESIDING
ELSEWHERE (SINGAPORE, FOR EXAMPLE) TO CARRY OUT
THESE REGIONAL RESPONSIBILITIES, BUT WE DO NOT RECOMMEND
IT. IF THIS WERE TO OCCUR, WE WOULD WISH TO RETAIN
ONE LOCAL PROFESSIONAL ATTACHED TO THE ECONOMIC/
COMMERCIAL SECTION IN ORDER TO MAINTAIN ESSENTIAL
COVERAGE OF THIS ACTIVITY.

14. INTERNAL REVENUE SERVICE

THE SMALL IRS OFFICE HERE PROVIDES
TAX SERVICES ON A VERY BROAD REGIONAL BASIS. IT
IS STATIONED HERE ONLY BECAUSE PERSONNEL IMITATIONS
IN SINGAPORE PREVENTED ITS ESTABLISHMENT THERE. WHILE
WE ARE PLEASED TO HAVE THE IRS STAFF HERE, IT DOES
NOT CONTRIBUTE SIGNIFICANTLY TO THE ACHIEVEMENT OF
THIS MISSION'S BASIC OBJECTIVES, SINCE MOST OF
THE SERVICES ITS PROBIDES ARE CARRIED OUT ELSEWHERE.
FROM WHAT WE CAN DETERMINE, THE IRS STAFF OW TWO
OFFICERS AND ONE AMERICAN SECRETARY COMPRISE THE
MINIMUM LEVEL NECESSARY TO PROVIDE THE REQUIRED
SERVICES ON THIS WIDE REGIONAL BASIS.

15. DEFENSE ATTACHE OFFICE

THE DAO PROVIDES ESSENTIAL SUPPORT TO THE MISSION'S
OBJECTIVE II AND ASSISTS IN THE ACHIEVEMENT OF
OBJECTIVE I. IN PARTICULAR, A CONTINUED FMS/IMET
AND/OR CASH SALES PROGRAM, EVEN IF ONLY ON A MODEST
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PAGE 04 KUALA 03683 05 OF 06 020307Z

SCALE, AFFORDS CONCRETE EVIDENCE OF A CONTINUED CONCERN
FOR THE SECURITY OF MALAYSIA AND THE REGION. IN
ADDITION, THE DAO PROVIDES MILITARY INTELLIGENCE
AND CONTACTS FOR THE ACCOMPLISHMENT OF THESE AND

OTHER OBJECTIVES.

THE DAO STAFF OF TWO OFFICERS, ONE CWO, AND ONE NCO SEEMS ADEQUATE TO CARRY OUT THE PRESENT DAO MISSION. IF THE SECURITY ASSISTANCE PROGRAM, PARTICULARLY THE IMET PORTION, WERE TO DROP OR TERMINATE, CONSIDERATION SHOULD BE GIVEN TO REDUCTION OF THE STAFF BY ONE PERSON.

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PAGE 01 KUALA 03683 06 OF 06 020251Z
ACTION MMO-02

INFO OCT-01 EA-10 ISO-00 ABF-01 NSC-05 SS-15 PER-01
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16. UNITED STATES ARMY MEDICAL RESEARCH UNIT

THE USAMRU PROVIDES AN EXAMPLE OF EFFECTIVE TECHNICAL COOPERATION BETWEEN THE US AND MALAYSIA. WHILE IT IS NOT ESSENTIAL TO THE DIRECT ACHIEVEMENT OF THE MISSION'S PRIMARY OBJECTIVES, IT DOES CONTRIBUTE IN A VERY POSITIVE WAY TO OBJECTIVES I AND III AND IT PROVIDES OUR OWN GOVERNMENT WITH USEFUL MEDICAL EXPERIENCES AND RESEARCH ON CERTAIN TROPICAL DISEASES. MOREOVER, ITS EXISTENCE GOES BACK OVER THIRTY YEARS AND IT IS WELL-INTEGRATED INTO THE OVERALL MALAYSIAN MEDICAL RESEARCH EFFORT.

USAMRU'S STAFF OF SIX OFFICERS AND SIXTY LOCAL EMPLOYEES IS PRESUMABLY AT THE MINIMUM EFFECTIVE LEVEL TO ACCOMPLISH THE UNIT'S MISSION. WE ARE NOT IN A POSITION TO RECOMMEND OR SUGGEST ANY REDUCTIONS, SINCE WE CANNOT JUDGE FROM HERE THE ULTIMATE UTILITY OF ITS MEDICAL RESEARCH. USAMRU'S COOPERATION WITH ALL ELEMENTS OF THE MISSION IS EXEMPLARY, AND USAMRU

IS VERY HIGHLY REGARDED BY ITS MALAYSIAN COUNTER-
PARTS. WE STRONGLY BELIEVE ITS WORK HERE
SHOULD BE CONTINUED.
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PAGE 02 KUALA 03683 06 OF 06 020251Z

17. THE BUREAU OF RECLAMATION, DEPARTMENT OF THE INTERIOR

BUREC PERSONNEL WORKING ON FLOOD CONTROL AND
WATER RESOURCES DEVELOPMENT ARE ACUTALLY IN MALAYSIA
ON DIRECT CONTRACT WITH MALAYSIAN GOVERNMENT. AS
SUCH, THEY ARE NOT STRICTLY UNDER THE AMBASSADOR'S
DIRECTION, ALTHOUGH BUREC PERSONNEL OBTAIN SOME ADMINISTRATIVE
SUPPORT FROM THE MISSION AND COOPERATE FULLY WITH IT.
CURRENT BUREC STAFF OF TWO AMERICANS APPEAR ADEQUATE
FOR THE TASK, AND IN ANY CASE ALL STAFF AND SUPPORT
COSTS ARE REIMBURSED BY THE MALAYSIAN GOVERNMENT.
BUREC CONTRIBUTES TO ACHIEVEMENT OF THE MISSION'S
OBJECTIVES I AND III IN THAT IT PROVIDES AN EXCELLENT
EXAMPLE OF US-MALAYSIAN TECHNICAL COOPERATION AND
ASSISTS IN DEVELOPING FURTHER US TRADE OPPORTUNITIES.
BUT ITS ACTIVITIES ARE NOT ESSENTIAL TO THE ACHIEVEMENT
OF OVERALL MISSION OBJECTIVES. WE WOULD NEVERTHELESS
STRONGLY RECOMMEND CONTINUANCE OF THE PROGRAM,
PARTICULARLY SINCE ITS COSTS TO THE USG ARE NEGLIGIBLE.

18. RANK ORDER OF USG ACTIVITIES

AS IS EVIDENT FROM THE ABOVE, THE USG ACTIVITIES
LEAST DIRECTLY CONCERNED WITH AGREED MISSION GOALS,
OBJECTIVES, AND ESSENTIAL ACTIVITIES ARE THE IRS,
BECAUSE OF ITS WIDE REGIONAL RESPONSIBILITIES AND
ONLY MODEST ACTIVITIES IN MALAYSIA ITSELF. THE USAMRU'S
AND BUREC'S ACTIVITIES ARE HELPFUL TO US AND IMPORTANT
IN AND OF THEMSELVES, BUT THEY CANNOT BE CHARACTERIZED
AS ESSENTIAL. WE DO NOT RECOMMEND THEIR ELIMINATION,
SINCE THEY ARE IMPORTANT PRACTICAL DEMONSTRATIONS OF
US COOPERATION WITH MALAYSIA IN SPECIFIC HUMANITARIAN
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PAGE 03 KUALA 03683 06 OF 06 020251Z

AND SOCIAL FIELDS. NEVERTHELESS, THEY WOULD BE INCLUDED IN
THAT APPROXIMATE TEN PERCENT OF ALL USG ACTIVITIES
REQUIRED TO BE SO LISTED IN THIS EXERCISE. WE
WOULD ALSO PLACE IN THIS LOWER TEN PERSENT CATEGORY ONE
DAO POSITION, ON THE ASSUMPTION THAT SECURITY ASSISTANCE
TO MALAYSIA WILL CONTINUE TO DECLINE IN FY80 AND BEYOND.

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